

# News

## from the Environmental and Public Protection Cabinet



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### **PSC RELEASES REPORT ON UTILITY PERFORMANCE DURING 2003 ICE STORM**

FRANKFORT, Ky. (Feb. 6, 2004) – The Kentucky Public Service Commission today released its assessment of how well utilities responded to the ice storm that struck central and northeast Kentucky in mid-February of 2003.

Given the extent of the damage and outages, utilities generally did a good job of restoring service, the PSC concluded. However, the report notes some areas of concern and makes recommendations for improving disaster preparedness and response.

More than 250,000 customers lost power during the storm, which deposited several inches of ice on trees, utility poles and power lines. Some customers were without power for more than a week.

The report covers investor-owned electric utilities, rural electric cooperatives and telephone companies that had significant numbers of customers out of service for extended periods due to the storm. The report was based on data collected from the utilities, comments from local officials and assessments by the PSC staff.

The report covers four general areas: utility company response, disaster preparedness, public communication and system maintenance. Key findings and recommendations are summarized on the accompanying fact sheet.

The report is available on the PSC Web site at [psc.ky.gov](http://psc.ky.gov).

## SUMMARY OF KEY FINDINGS, RECOMMENDATIONS AND CONCLUSION

### KEY FINDINGS:

1. The severity of the ice storm, as measured by the number of customer outages and damage to distribution facilities, was unprecedented on a statewide basis.
2. Trees or limbs falling onto distribution lines caused the majority of outages during the ice storm. More aggressive tree trimming would have had little effect in lessening the devastation.
3. The cost of the restoration stated by the utilities was approximately \$22.5 million for KU and approximately \$24.7 million for the other utilities combined. The majority of the Electric Cooperative expenses are eligible FEMA reimbursement.
4. Some local government officials were concerned that they did not receive sufficient and/or timely information from the utilities during the ice storm and the subsequent power restoration process. Since the storm, the utilities have made extensive efforts to improve their communications with government officials during outage periods.
5. A major point of public frustration in Central Kentucky was the difficulty in obtaining information about the progress of restoration in specific areas. There was no means available of conveying real-time information about restoration efforts. Utility Internet sites were of limited use to customers and news media reporters during the restoration process.
6. The assessment did not indicate that significant outages during the ice storm were attributable to the design or age of the distribution systems or to pre-existing conditions on the systems.
7. This assessment found no general discrimination among geographical areas by any of the utilities in their storm restoration efforts. However, it was noted that damage assessment in Woodford and Anderson counties was delayed due to KU's focus on Fayette County.
8. The utilities' restoration priorities – addressing safety-related situations, emergency services, and critical infrastructure needs – and then restoring service to the largest numbers of customers in the shortest period of time, were deemed appropriate by KPSC staff.
9. Utility officials were careful to provide realistic assessments of when service would be restored. While this may not have been what frustrated customers wanted to hear, it forestalled the creation of unrealistic expectations.
10. Kentucky's electric utilities have emphasized safety precautions that should be taken around downed power lines. The message, which was emphasized from the outset during the ice storm, clearly has taken hold in the public consciousness, as evidenced by the absence of any injuries caused by downed lines.
11. There was a delay by Kentucky Utilities in communicating the fact that property owners are responsible for repairs to property connections. It was learned that customers generally do not understand where the utility's responsibility ends and theirs begins.
12. Safety problems arose after the storm was over and power had been fully restored. The most serious problem – which led to 2 fatalities – was tree trimming or removal by untrained personnel or property owners themselves.

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## KEY RECOMMENDATIONS:

1. Utilities should make every effort to ensure that an adequate number of telephone lines are available to customers for incoming calls to the call centers, as well as having sufficient queue size for efficient management of the call volume imposed by major storms.
2. The addition of Spanish-speaking employees to customer service and public communication staffs should be considered.
3. Utilities should give additional attention to right-of-way maintenance and system inspections to maintain and improve system reliability. A proper balance must be attained between aesthetic benefits to the community and the risk of substantial societal costs associated with the types of major storms to which Kentucky is vulnerable.
4. Utilities should ensure that elected officials in all areas of their service territory have a means of access to information regarding storm restoration progress.
5. A storm preparedness position or contact employee should be established at each utility. This person should be responsible and accountable for establishing, reviewing and maintaining the utilities disaster preparedness and restoration procedures. This person should also make regular contact with the Kentucky Emergency Management offices in their territory. They could also serve collectively with their peers on a statewide disaster planning/restoration task force.
6. Information about the customer's responsibility for repairs to property connections, and proper inspection of those repairs, should be a point of emphasis in initial communication efforts in future events that damage significant numbers of property connections. Improving customer education about their responsibility will help utilities restore power safely and decrease customer frustration.
7. Utilities should consider establishing "Restoration Information" Web sites that could convey the information about the status of restoration efforts in specific areas.
8. Safety during extended storm cleanup should be a public information point of emphasis.

## CONCLUSION:

This assessment concludes that the utilities were adequately prepared for the February 2003 ice storm, given its unprecedented severity. Utilities' restoration efforts were diligent, effective, and well managed on the whole. Given the extraordinary scope and intensity of the storm, the utilities' performance, though not flawless, was commendable. The utilities have made changes in their outage prevention and restoration programs, which the Commission staff endorses. Additional changes recommended by the Commission staff should improve these practices. Finally, the assessment concludes that the utilities' line workers and field personnel deserve special recognition for their part in the restoration effort. These men and women spent long hours performing dangerous tasks under difficult conditions in order to restore power to hundreds of thousands of Kentuckians. They can be proud of their achievements and assured of the public's gratitude.

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